REMARKS

Claims 18-46 are pending in the above-referenced patent application. In this response, claims 18-19, 23-24, 25 and 28-31 have been amended to clarify intended subject matter, and claims 34-46 have been added. It is respectfully submitted that adequate support may be found in the specification, figures and claims as filed for the amendments to claims 18-19, 23-24, 25 and 28-31 as well as new claims 34-46, and the amendments to the claims and new claims introduce no new matter.

Allowable Subject Matter

In the Final Office Action, dated January 18, 2007, the Examiner indicated that claims 20-22, 25-28 and 31-33 are allowed. Assignee would like to thank the Examiner for identifying allowable subject matter. It is noted that claims 25 and 28 have been amended to clarify intended subject matter, and remain in a condition for allowance. It is further noted that new claim 37 depends from and includes all limitations of claim 20. Additionally, it is noted that claims 18-19, 23-24, 29-30 and 34-38 are in a condition for allowance for the same and/or similar basis as claims 20-22, 25-28 and 31-33.

Claim Rejections - 35 USC §103(a)

In the Final Office Action, the Examiner rejected claims 18-19, 23-24 and 29-30 under 35 USC 103(a) as being unpatentable over Matama (U.S. Pat. No. 6,683,981). This rejection is respectfully traversed.

It is noted that in order to establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. In re Vaeck, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991). (MPEP § 2142). It is respectfully submitted that the cited reference

does not meet these criteria. For example, the cited reference, whether modified or unmodified, still does not teach or suggest all the claim limitations.

Although Matama describes storing frame correction data in LUTs so that the information may be employed in a correction operation, Matama does not show or describe "obtaining a first base value and a second base value from a base value bank; respectively adjusting the first and second digital signal by respectively employing the first and second base value to obtain a first and a second adjusted digital signal", as recited in claim 18, as amended. The LUTs of Matama are employed to store relative values of gray balance which are later retrieved to perform color adjustment. However, Matama does not show or describe at least the limitations of claim 18 recited above.

Accordingly, any resultant modification of Matama, if Matama could be successfully modified, although Assignee does not accept that a successful modification of Matama could be made, would still not provide all the elements of the rejected claims, as set forth above. Accordingly, the Examiner has failed to make a successful *prima facie* showing of obviousness, and it is respectfully submitted that claim 18 is a condition for allowance. Additionally, claims 19, 23-24 and 29-30 and new claims 34-38 depend from and/or include similar limitations as those of claim 18, and are therefore not rendered obvious for at least the same reasons. Accordingly, it is respectfully requested that the Examiner withdraw these rejections of claims 18-19, 23-24 and 29-30, enter new claims 34-46, and allow all pending claims to proceed to allowance.

Additionally, it is noted that the Assignee's omission to comment directly upon all of the positions asserted by the Examiner in the office action does not indicate agreement or acquiescence with those asserted positions. For example, Assignee does not agree or acquiesce to Examiner's position as to whether there is any suggestion to modify the cited document or whether there would be any reasonable expectation of success from making such a modification.

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CONCLUSION

In view of the foregoing, it is respectfully submitted that all of the claims pending in this patent application, as amended, are in condition for allowance. If the Examiner has any questions, she is invited to contact the undersigned at (503) 439-6500. Reconsideration of this patent application and early allowance of all the claims is respectfully requested.

Please charge any shortages and credit any overcharges of any fees required for this submission to Deposit Account number 50-3703.

Respectfully submitted,

Dated: <u>April 18, 2007</u>

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